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USWEST

Sue Pawlik
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

July 12, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445-12th Street, S.W.
Washington, D.C. 20554

EX PARTE

RE: CC Docket No. 99-35 and Transmittal Nos. 965, 975, and 1002

Dear Ms. Roman Salas:

U S WEST submits this ex parte pursuant to 47 C.F.R. Section 1.1206(b).

On July 9, 1999, Sue Pawlik, Wendy Bergeson and Les Filkowski of U S WEST participated in a conference call with Chris Barnekov of the Federal Communications Commission's (Commission) Competitive Pricing Division to discuss Commission questions concerning the underlying calculations behind Workpapers 7, 8, and 9 in U S WEST's Transmittal No. 1002, its Local Number Portability (LNP) tariff filing. These workpapers detail the costs behind U S WEST's LNP query rates.

During the call, it was determined that Charts 4b, 5b, and 6b in that same filing contained an error in addition in the Total Annual Cost column. The grand total in this column on each of the workpapers did not include the final year in the total. At the request of the Commission, corrected Charts 4b, 5b, and 6b are attached to this ex parte filing. Wendy Bergeson pointed out that the Annual Revenue totals do not match the Total Annual Cost totals because the costs are shown on a levelized basis whereas the Annual Revenues are the actual projected revenues for each year. The difference is due to discounting.

Any questions should be directed to me on (303) 672-5850.

Sincerely,

Sue Pawlik
(RW)

cc: Kris Monteith
Judith A. Nitsche

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LNPQS Default End Office Query
Total Annual Cost, Revenue and Demand

Chart 4b
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LNPQS Default End Office Query									
Year	Investment	Annual Cost (Note 1)						Annual Revenue	Annual Demand
		Capital Related			Recurring Operating Expenses	Amortized Expenses	Total		
		Depreciation	Return	Income Taxes					
Pre-1999	\$1,604,191								
1999		\$184,776	\$74,403	\$42,437	\$102,600	\$78,076	\$482,291	\$1,117,789	376,106,824
2000		\$184,776	\$74,403	\$42,437	\$102,600	\$78,076	\$482,291	\$492,453	165,697,412
2001		\$184,776	\$74,403	\$42,437	\$102,600	\$78,076	\$482,291	\$316,577	106,519,765
2002		\$184,776	\$74,403	\$42,437	\$102,600	\$78,076	\$482,291	\$117,251	39,451,765
2003		\$184,776	\$74,403	\$42,437	\$102,600	\$78,076	\$482,291	\$123,113	41,424,353
Total	\$1,604,191	\$923,879	\$372,014	\$212,187	\$512,998	\$390,379	\$2,411,456	\$2,167,183	729,200,119

Notes:

1 Costs have been annualized and are the same each year

* Annual costs are calculated by applying costs by levelized annual demand. Annual revenues are calculated by applying rates by annual demand. The Net Present value of the annual costs and the annual revenues and are nearly the same, varying only by rounding.

LNPQS Database Query
Total Annual Cost, Revenue and Demand

Chart 5b
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LNPQS Database Query									
Year	Investment	Annual Cost (Note 1)						Annual Revenue	Annual Demand
		Capital Related			Recurring	Amortized	Total		
		Depreciation	Return	Income Taxes	Operating Expenses	Expenses			
Pre-1999	\$1,247,677								
1999		\$145,112	\$58,586	\$33,416	\$79,233	\$571,307	\$887,654	\$231,343	309,696,353
2000		\$145,112	\$58,586	\$33,416	\$79,233	\$571,307	\$887,654	\$560,921	750,898,588
2001		\$145,112	\$58,586	\$33,416	\$79,233	\$571,307	\$887,654	\$944,529	1,264,429,059
2002		\$145,112	\$58,586	\$33,416	\$79,233	\$571,307	\$887,654	\$1,428,925	1,912,884,565
2003		\$145,112	\$58,586	\$33,416	\$79,233	\$571,307	\$887,654	\$1,642,487	2,198,778,353
Total	\$1,247,677	\$725,559	\$292,932	\$167,081	\$396,164	\$2,856,535	\$4,438,272	\$4,808,205	6,436,686,918

Notes:

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LNPQS Default Tandem Query
Total Annual Cost, Revenue and Demand

Chart 6b
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LNPQS Default Tandem Query									
Year	Investment	Annual Cost (Note 1)						Annual Revenue	Annual Demand
		Capital Related			Recurring	Amortized	Total		
		Depreciation	Return	Income Taxes	Operating Expenses	Expenses			
Pre-1999	\$4,519,714								
1999		\$519,527	\$209,594	\$119,547	\$287,287	\$260,252	\$1,396,208	\$3,238,035	1,254,566,118
2000		\$519,527	\$209,594	\$119,547	\$287,287	\$260,252	\$1,396,208	\$1,473,068	570,735,529
2001		\$519,527	\$209,594	\$119,547	\$287,287	\$260,252	\$1,396,208	\$879,089	340,600,235
2002		\$519,527	\$209,594	\$119,547	\$287,287	\$260,252	\$1,396,208	\$339,417	131,505,882
2003		\$519,527	\$209,594	\$119,547	\$287,287	\$260,252	\$1,396,208	\$334,325	129,533,294
Total	\$4,519,714	\$2,597,635	\$1,047,971	\$597,736	\$1,436,436	\$1,301,262	\$6,981,039	\$6,263,935	2,426,941,058

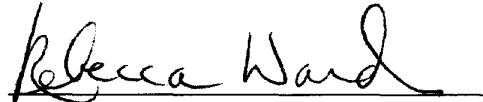
Notes:

1 Costs have been annualized and are the same each year.

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CERTIFICATE OF SERVICE

I, Rebecca Ward, do hereby certify that on this 12th day of July, 1999, I have caused the foregoing **EX PARTE** to be served, via hand delivery, upon the persons listed on the attached service list.


Rebecca Ward

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